

**CITY OF CARLSBAD
2014-2015
COMMUNITY DEVELOPMENT BLOCK GRANT/HOME PROGRAM
REQUEST FOR PROPOSALS**

I. Introduction

Funding for the federal Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act. The program provides grants on a formula basis to entitled cities and counties to develop viable urban communities through the provision of decent housing, a suitable living environment and by expanding economic opportunities for lower income persons.

Funding for the federal Home Investment Partnership (HOME) Program is authorized under Title II of the Cranston-Gonzales National Affordable Housing Act. The program provides grants on a formula basis to entitled cities, counties and city/county consortiums to create affordable housing for lower income households. The City of Carlsbad receives HOME funds as a member of the San Diego County HOME Consortium, a group consisting of the County of San Diego and various cities in the county formed for the purpose of obtaining federal HOME funds.

II. Program Development

The City of Carlsbad is eligible to receive CDBG funds on an annual basis. In order for Carlsbad to receive the grants, a list of community development objectives must be developed along with an outline of proposed projects. The City of Carlsbad must also certify that it has followed an approved Consolidated Plan for Housing and Community Development and that not less than 70% of the CDBG funds will be used for activities that benefit low and moderate income persons. Low and moderate income guidelines are based upon household size and a chart is attached for your reference.

The City is eligible to receive HOME funds on an annual basis as a member of the San Diego County HOME Consortium. The City submits projects eligible for HOME funds to the Consortium for inclusion in the County's Consolidated Plan. The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90% of benefiting households must have incomes that are no more than 60% of the median family income for the area. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the area median income. The incomes of households receiving HOME assistance must not exceed 80% of the area median income.

III. Request for Proposals

The total amount of CDBG funds from the U.S. Department of Housing & Urban Development estimated to be available for Carlsbad in 2014-2015 is approximately \$470,769. Of the \$470,769 estimated total CDBG funds available, approximately \$95,154 will be used for the City's administration of the CDBG Program and \$70,615 will be available for eligible public service activities. Approximately \$152,500 will be available for public facilities, improvements and other eligible activities. Approximately \$152,500 in CDBG funds will be available for selected projects that will provide affordable housing opportunities in Carlsbad. Approximately \$148,309 will be available from the City's allocation of 2014-2015 HOME funds to assist in providing affordable housing opportunities for lower income households. Additional HOME funds from prior program years may be available for reallocation from other programs if a suitable proposal requires more than the estimated \$148,309 available in 2014-2015 program funding.

The combination of 2014-2015 CDBG and HOME funds being made available for affordable housing totals approximately \$300,809. Specifically, the \$300,809 will be targeted for use in acquisition of property for affordable housing purposes that does not require relocation of existing residents.

Organizations are strongly discouraged from applying for funds unless they are ready to implement the activity proposed for funding. A matching funds requirement will be applied to CDBG funded public facilities/improvement activities, and documentation showing use of matching funds will be required prior to distribution of CDBG funds for activities under that category. CDBG funding for amounts of \$100,000 or more may be made in the form of a deferred, no interest loan, to be forgiven in twenty years if the facility remains in use for purposes as stated in the application.

To develop a 2014-2015 CDBG/HOME program which meets the needs of the lower income population, Carlsbad requests assistance from members of the community. Citizen participation is critical to the success of the Carlsbad CDBG/HOME program. Therefore, we are encouraging all qualified nonprofit organizations to consider the needs of lower income persons within Carlsbad and submit an application for a proposed project or service. The Proposal Review Process for the CDBG/HOME Program is attached for your information.

Per federal regulations, all HOME funds must be used for affordable housing purposes and CDBG funds may be used for, but are not limited to: public service activities, acquisition of real property, relocation and demolition, rehabilitation of residential and nonresidential structures, construction of public facilities and improvements and conversion of schools for eligible purposes. The types of activities that generally are not eligible for CDBG funding include: buildings for the general conduct of government, political activities, income payments, construction of new housing and other facilities offering 24-hour care.

NATIONAL OBJECTIVES

The City of Carlsbad is committed to using CDBG funds to finance projects and services that provide direct benefit to lower income residents. Every project proposed for the CDBG program must address at least one of the three broad National Objectives for the program. The National Objectives are:

1. Provide direct benefit to lower income persons;
2. Aid in the prevention or elimination of slums or blight; and
3. Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where no other financial resources are available to meet such needs.

LOCAL OBJECTIVES

In addition to meeting the National Objectives, every project proposed for CDBG funding must meet at least one of the local Community Development Objectives, which are:

1. Affordable Housing:

- Provide direct benefit to lower income persons through the provision of additional affordable housing units in Carlsbad;
- Provide shelter or services to homeless or near homeless persons/families which result in an improved situation through employment, permanent housing, treatment of mental, or substance abuse problems, etc.; and,
- Provide direct assistance to lower income households to prevent or eliminate residential Building or Municipal Code violations and/or improve the quality of housing units in Carlsbad through residential (rental and/or owner occupied) rehabilitation programs.

2. SOCIAL SERVICES (GENERAL):

- Provide assistance to public service providers who meet the basic needs of lower income Carlsbad residents. Basic needs providers are defined as those that provide food, shelter, clothing, and in some cases, health care;
- Provide assistance to public service providers who offer counseling and self-improvement programs/activities for lower income Carlsbad residents; and,
- Provide assistance to public service providers who offer recreational and/or cultural programs/activities for lower income Carlsbad residents.

3. SOCIAL SERVICES (CHILDREN & ADULTS):

- Provide assistance to organizations which administer programs that directly benefit lower income children living in Carlsbad. The programs must provide one or more of the following activities: day care, after-school care, cultural enrichment, recreation, health care/immunization or self-improvement. The City may also give priority to single-parent assistance programs such as counseling services; and
- Provide assistance to organizations which administer programs that directly benefit lower income adults living in Carlsbad. The programs must provide one or more of the following activities for adults: employment services, job training, and educational programs. Programs designed for elderly adults only must provide one or more of the following activities: meals, homemaking or personal assistance services, financial assistance services, counseling, transportation, or shared housing or other housing related services.

It is the intent of the City to only approve CDBG/HOME assisted projects that do not result in the displacement of lower income persons from their homes. Therefore, all persons submitting project proposals to the City should consider the displacement impact upon lower income households.

IV. Submission of Request For Proposals

All persons, organizations, agencies, etc. wishing to submit an application for funding consideration under the CDBG/HOME program must obtain a "Funding Proposal Application" from the City of Carlsbad Housing and Neighborhood Services Department. Interested persons may request a Funding Proposal Application by calling (760) 434-2818.

Organizations that have not received CDBG/HOME funds from the City of Carlsbad within the last three years must attend an orientation meeting on December 4, 2013 at 3:00 PM. Applications for funding will not be accepted from organizations that have not received CDBG/HOME funds from the City within the last three years if they do not have a representative attend the orientation meeting.

Ten copies of each project proposal must be submitted to the attention of Frank Boensch prior to 5:00 p.m. on December 20, 2013 at the following address:

CITY OF CARLSBAD
HOUSING AND NEIGHBORHOOD SERVICES DEPARTMENT
1200 CARLSBAD VILLAGE DRIVE
CARLSBAD, CA 92008

IV. Technical Assistance/Questions or Comments

City staff is available to provide technical assistance in preparing applications and to answer questions regarding the application review process. Please contact City staff at (760) 434-2810 for information regarding technical assistance or if you have questions or comments on the CDBG/HOME Program.